IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In Re Application of:	)	
	)	Examiner: Tri V. Nguyen
Glover, et al.	)	
	)	Group Art Unit: 1751
Serial No.: 09/938,950	)	
	)	Attorney Docket No. P171 1020.1
Filed: August 23, 2001	)	
	)	
For: Customer Award and Incentive System	)	

APPEAL BRIEF

Assistant Commissioner for Patents
Mail Stop Appeal Brief
P.O. Box 1450
Alexandria, Virginia 22313-1450

Sir:

This brief is submitted pursuant to 37 CFR § 41.37 in support of the Appeal in the above-identified application.

REAL PARTY IN INTEREST

The real parties in interest in the present application are H. Eiland Glover and Stuart R. Hogue, the co-inventors and owners of all rights in the present application.

RELATED APPEALS AND INTERFERENCES

This appeal is related to an appeal in co-pending, commonly-owned patent application 10/143,195 for "Method for Providing Securities Rewards to Customers."

STATUS OF CLAIMS

Claims 1 – 20 are pending in the application and stand finally rejected by the Examiner as noted in the Office Action mailed May 18, 2006, all rejected claims having been appealed.

STATUS OF AMENDMENTS

No amendments to the claims have been submitted subsequent to the final rejection. However, Applicants initiated and submitted a written request for interview on August 17, 2006 providing a detailed explanation of why it was erroneous for the Examiner to combine the teachings of *Feidelson, et al* (U.S. Pat. No. 6,345,261) with *Loveland* (U.S. Pub. No. 2002/0052818) in the final rejection to reject independent Claims 1 and 9, as well as dependent Claims 2 – 8 and 10 - 20. The request for interview after final rejection was denied by the Examiner, necessitating the current appeal.

SUMMARY OF THE CLAIMED SUBJECT MATTER

The present invention is directed to a customer incentive system and method in which equity is awarded to customers based on customer purchase transactions with merchants (p. 2, ll. 17 – 18).

In one aspect of the invention, a method of providing a customer incentive program is claimed. The method comprises creating award accounts for a plurality of customers (p.2, ll. 27 – 31; p. 6, l. 29 – p.7, l. 2; Fig. 4, 300); collecting information pertaining to purchasing transactions made by an individual customer with at least one of a plurality of sellers using the award account (p. 2, ll. 18 – 25; p. 7, ll. 7 – 9; Fig. 5, 400, 402); awarding equity interests in at least one of the plurality of sellers to at least one of the plurality of customers based at least in part on the customer's collected information (Fig. 5, 404; p. 6, ll. 10 – 13; p. 7, ll. 5 – 16); aggregating the equity interests awarded to the plurality of customers (p. 5, ll. 24 – 26; p. 6, ll. 13 – 16), the aggregate equity interests including awards for individual customer accounts (p. 5, ll. 26 – 27);

and acquiring stock in the plurality of sellers representing the aggregate equity interests (p. 5, l. 30 - p. 6, l. 5; Fig. 2, 106), and distributing the stock, including fractional shares of the sellers, into the individual customer accounts (p. 3, ll. 4 – 10; p. 5, ll. 17 – 22).

In another aspect of the invention, a system for providing a customer incentive program is claimed. The system comprises means for creating award accounts for a plurality of customers (p.2, ll. 27 – 31; p. 6, l. 29 – p.7, l. 2; Fig. 4, 300); means for collecting information pertaining to purchasing transactions made by the plurality of customers with a plurality of sellers using their respective award accounts (p. 2, ll. 18 – 25; p. 7, ll. 7 – 9; Fig. 5, 400, 402); means for awarding equity interests in the plurality of sellers to the plurality of customers based at least in part on the collected information (Fig. 5, 404; p. 6, ll. 10 – 13; p. 7, ll. 5 – 16); means for aggregating the equity interests awarded to the plurality of customers (p. 5, ll. 24 – 26; p. 6, ll. 13 – 16), the aggregate equity interests including awards for individual customer accounts (p. 5, ll. 26 – 27; Fig. 4, 304); means for acquiring stock in the plurality of sellers representing the aggregated equity interests (p. 5, l. 30 - p. 6, l. 5; Fig. 2, 106); and means for distributing the stock including fractional shares of the sellers into individual customer accounts (p. 3, ll. 4 – 10; p. 5, ll. 17 – 22).

GROUNDS FOR REJECTION TO BE REVIEWED ON APPEAL

1. Are Claims 1 – 10 and 14 – 16 properly rejected under 35 USC § 103(a) as being unpatentable over *Feidelson, et al* (U.S. Pat. No. 6,345,261) in view of *Loveland* (U.S. Pub. No. 2002/0052818)?

2. Are Claims 11 – 13 properly rejected under 35 USC § 103(a) as being unpatentable over *Feidelson, et al* (U.S. Pat. No. 6,345,261) and *Loveland* (U.S. Pub. No. 2002/0052818), and further in view of *Walker, et al.* (U.S. Pat. No. 6,327,573)?

4. Is Claim 17 properly rejected under 35 USC § 103(a) as being unpatentable over *Feidelson, et al* (U.S. Pat. No. 6,345,261) and *Loveland* (U.S. Pub. No. 2002/0052818), and further in view of *Hucal* (U.S. Pat. No. 6,836,764)?

5. Are Claims 18 and 19 properly rejected under 35 USC § 103(a) as being unpatentable over *Feidelson, et al* (U.S. Pat. No. 6,345,261) and *Loveland* (U.S. Pub. No. 2002/0052818), and further in view of *Hardesty* (U.S. Pat. No. 6,105,865)?

6. Is Claim 20 properly rejected under 35 USC § 103(a) as being unpatentable over *Feidelson, et al* (U.S. Pat. No. 6,345,261) and *Loveland* (U.S. Pub. No. 2002/0052818), and further in view of *Walker, et al.* (U.S. Pat. No. 6,128,599)?

ARGUMENT

A. The rejections of Claims 1 – 10 and 14 – 16 under 35 USC § 103(a) are improper and should be reversed.

The basic test for non-obvious subject matter is whether the differences between the subject matter and the prior art are such that the claimed subject matter as a whole would not have been obvious to a person having ordinary skill in the art to which the subject matter pertains. The U.S. Supreme Court in Graham v. John Deere & Co., 383 U.S. 1 (1966), set forth the factual inquiries which must be considered in applying the statutory test: (1) determination of the scope and contents

of the prior art; (2) ascertaining the differences between the prior art and the claims at issue; and (3) resolving the level of ordinary skill in the pertinent art.

In determining the scope and content of the prior art, the Examiner must first consider the nature of the problem on which the inventor was working. Once this has been established, the Examiner must select, for purposes of comparing and contrasting with the claims at issue, prior art references that are reasonably pertinent to that problem, i.e., the inventors' field of endeavor. Heidelberger Druckmaschinen AG v. Hantscho Commercial Products, Inc., 30 USPQ 2d 1377, 1379 (Fed. Cir. 1994). In selecting references, hindsight must be avoided at all costs.

The second step within the test described in Graham is to ascertain the differences between the cited prior art and the claims at issue. These differences will subsequently be discussed in greater detail. In resolving the level of ordinary skill in the pertinent art as required by the third step in Graham, the Examiner must step backward in time and into the shoes worn by a person of ordinary skill when the invention was unknown and just before it was made. The hypothetical person skilled in the art can summarily be described as one who thinks along lines of conventional wisdom in the art and neither one who undertakes to innovate nor one who has the benefit of hindsight. Thus, neither an Examiner, nor a judge, nor a genius in the art at hand, nor even the inventor is such a person skilled in the art.

In order to establish a prima facie case of obviousness, it is necessary for the Examiner to present evidence, preferably in the form of some teaching, suggestion, incentive, or inference in the applied prior art, or in the form of generally available knowledge that one having ordinary skill in the art would have been led to combine the relevant teachings of the applied references in the proposed manner to arrive at the claimed invention. Ex parte Levingood, 28 USPQ 2d 1300, 1301

(Bd. Pat. App. & Int. 1993); Ashland Oil, Inc. v. Delta Resins & Refractories, Inc., 776 F2d 281, 227 USPQ 657 (Fed. Cir. 1985). The legal conclusion of obviousness must be supported by facts. See Graham. Where the legal conclusion is not supported by facts, it cannot stand. Id.

A rejection based on 35 USC § 103 clearly must rest on a factual basis, and these facts must be interpreted without hindsight reconstruction of the invention from the prior art. The patentability of an invention is not to be viewed with hindsight or "viewed after the event". Goodyear Co. v. Ray-O-Vac, 321 US 275 (1944). The proper inquiry is whether bringing them together was obvious, and not whether one of ordinary skill having the invention before him, would find it obvious through hindsight to construct the invention. Accordingly, an Examiner cannot examine obviousness by locating references that describe various aspects of the patent applicant's invention without also providing evidence of a motivating force that would enable one skilled in the art to do what the patent applicants' have done.

In order to establish a prima facie case of obviousness under 35 USC § 103, case law states:

> To properly combine the references to reach the conclusion that the subject matter...would have been obvious, case law requires that there must have been some teaching, suggestion, or inference in either reference or both, or knowledge generally available to one of ordinary skill in the art to combine the relevant teaching of the references.

ACS Hospital System, Inc. v. Montefiori Hospital, 221 USPQ 929 (Fed Cir. 1984).

The Examiner must satisfy three criteria in order to establish a prima facie case of obviousness: (1) there must be some suggestion or motivation, either in the references themselves or in the knowledge of one of ordinary skill in the art, to modify the reference or combine their teachings; (2) there must be a reasonable expectation of success; and (3) the prior art reference or

combination of references must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art and not based on applicant's disclosure. MPEP § 706.02(j), citing *In re Vaeck*, 20 USPQ 2d 1438 (Fed. Cir. 1991).

In the Office Action mailed May 18, 2006, the Examiner rejected Claims 1 – 10 and 14 – 16 under 35 USC § 103(a) as being unpatentable over *Feidelson, et al.* U.S. (6,345,261) in view of *Loveland* (U.S. 2002/0052818). The Examiner stated that *Feidelson, et al.* discloses a method for providing a customer incentive program comprising the steps of creating award accounts for a plurality of customers (col. 2, ll. 6 – 13; col. 14, ll. 34 – 44; and Fig. 2); collecting information pertaining to purchasing transactions made by an individual customer with at least one of a plurality of sellers using the award account (col. 14, ll. 45 – 67; col. 15, ll. 1 – 5; and Fig. 2); awarding equity interests in at least one of the sellers to at least one of the plurality of customers based at least in part on the customer's collected information (col. 14, ll. 45 – 67; col. 15, ll. 1 – 5; and Fig. 2); and aggregating the equity interests awarded to the plurality of customers, the aggregate equity interests including awards for individual customer accounts (col. 14, ll. 45 – 67; col. 15, ll. 1 – 5, and Fig. 2).

The Examiner acknowledged that *Feidelson, et al.* does not disclose the step recited in Claim 1 of acquiring stock in the plurality of sellers representing the aggregate equity interests, and distributing the stock, including fractional shares of the sellers, into the individual customer accounts. The Examiner relied on *Loveland* for teaching of a reward system in which stocks of a merchant, including fractional shares, are acquired based on purchases made at the merchant, citing page 9, para. 91. The Examiner concluded that it would have been obvious to one of

ordinary skill in the art at the time of the invention to modify the method as taught by *Feidelson, et al.* with the feature of acquiring fractional shares of a merchant as taught by *Loveland*.

Applying the first step of the *Graham* test, *Feidelson, et al.* teaches a customer loyalty and investment program that provides an investment fund in which members are registered, rebates are received from merchants based on purchases made by the members from the merchants, and the rebates are invested in the fund. The composition of the fund reflects, at least in part, the rebates received from the merchants (col. 2, ll. 7 – 13). Shares in the investment fund are issued to each member based on the rebates received from merchants as a result of purchases made by that member. For rebates received from public merchants, securities of each public merchant are purchased based on the amount of rebates received from that particular merchant. For rebates received from private merchants, securities are purchased in the public merchants as a function of the fund's then existing portfolio (col. 2, ll. 31 – 39). *Feidelson, et al.* also teaches that the investment fund reflects the collective purchases that have been made by the members of the program because every dollar received from each of the participating merchants through rebates (less administration fees) is directed toward the purchase of that particular merchant's securities, resulting in an investment fund with diversified holdings (col. 4, ll. 39 – 50). *Feidelson, et al.* further teaches that customers receive a diversified investment merely by purchasing products or services from one or more of the participating merchants (col. 4, ll. 54 – 58).

Feidelson, et al. further teaches that a stored fund database includes information relating to the investment fund, including a specific merchant's security holdings in the fund, the number of shares in the fund owned by each member, and information regarding the fund's past and present performance (col. 6, ll. 3 – 8). Rebate money received by the merchants is placed into an

escrow account. A database server and an FTP server periodically direct a transfer agent to issue shares in the investment fund to members as a function of the rebates earned by the members. The database server and FTP server also periodically direct the broker to purchase merchant securities as a function of the rebate monies received from the merchants and invested in the fund.

Applying the second step of the *Graham* test, the method of Claim 1 differs from the teachings of *Feidelson, et al.* for at least the reason that *Feidelson, et al.* does not teach acquiring stock in the plurality of sellers representing the aggregate equity interests and distributing the stock of the sellers into the individual customer accounts. As described above, *Feidelson, et al.* teaches issuing shares in an investment fund to member customers, not shares of stock of the merchant sellers awarded as a result of customer purchases of goods and services from the merchant sellers.

Applying the first step of the *Graham* test, *Loveland* teaches a method and system for acquiring equity investments from the purchase of products (i.e., goods or services available for purchase) of a manufacturer or service provider (p. 2, para. 19). When a consumer purchases products from any merchant, he automatically receives an equity reward, regardless of reward size, even if the reward requires fractional shares in that manufacturer or service provider (p. 2, para. 19). However, it was an error for the Examiner to rely on *Loveland* for the step recited in Claim 1 of "acquiring stock in the plurality of sellers representing the aggregate equity interests, and distributing the stock, including fractional shares of the sellers, into the individual customer accounts" since the effective filing date of the material cited by the examiner is June 14, 2001, the filing date of *Loveland's* patent application. Although *Loveland* claims priority to provisional

application no. 60/211,499 filed on June 14, 2000, there is no corresponding teaching in application no 60/211,499 of distributing fractional shares of the seller into the individual customer accounts. On the other hand, the present application claims priority to provisional application 60/289,914, filed May 9, 2001, which does describe the feature of distributing fractional shares and predates the filing of the *Loveland* non-provisional application.

More specifically, the material in the provisional application corresponding to the paragraph 91 on page 9 of U.S. 2002/0052818 can be found on page 25, lines 1 – 22 and page 26, lines 1 – 4 of provisional application no. 60/211,499. It should be noted that *Loveland* actually teaches away from distribution of fractional shares, at page 26, lines 1 – 4, which reads:

> It would be rare for the rebate customers receive to be exactly divisible by the share price and brokerage fee. In this case, the excess funds will be placed in the customer's account, ready to be added to the rebate granted the next time they purchase from the given Supplier.

As a result of the foregoing, one skilled in the art at the time the invention was made would not have been able to produce the invention as claimed in the present patent application using the cited and available prior art. Accordingly, the rejection of Claim 1 is not well-founded and should be reversed.

Claims 2 – 8 and 14 – 16 depend from Claim 1 and the rejection of these claims is not well-founded and should be reversed for at least the same reasons as for Claim 1. Claim 9 is a system claim comprising elements that parallel the method steps of Claim 1. Therefore, the rejection of Claim 9 is not well-founded and should be reversed for at least the same reasons as for Claim 1. Claim 10 depends from Claim 9 and the rejection of this claim is not well-founded and should be reversed for the same reasons as for Claim 9.

B. The rejection of Claims 11 - 13 under 35 USC § 103(a) is improper and should be reversed.

In the Office Action mailed May 18, 2006, the Examiner acknowledged that neither *Feidelson, et al.* nor *Loveland* discloses the step of assigning a customer to a tier level based on the customer's level of shopping and investing with a seller in the customer incentive program. The Examiner stated that *Walker, et al.* teaches that it is known to use a reward system in which specific rewards are allocated, depending on the threshold level or tier of the consumers, citing col. 9, l. 55 – col. 10, l. 11. The Examiner concluded that it would have been obvious to one having ordinary skill in the art at the time of the invention to modify the method as taught by *Feidelson, et al.* and *Loveland* with the feature of presenting incentives based on the level of the user as taught by *Walker, et al.* since such a modification would provide an encouragement for increased spending from the users desiring a different or superior reward.

Applying the first step of the *Graham* test, *Walker, et al.* teaches a method and system that enables affinity group card members to accrue rewards or penalties based on aggregated affinity group performance, not simply on the individual card member performance (col. 2, ll. 46 – 49). *Walker, et al.* discloses a method for processing a reward for a sponsor of an affinity group based on at least one affiliated financial account. The disclosed method includes the steps of retrieving performance target data, including a group performance target associated with the affinity group. The method also includes the step of aggregating member transaction data to determine an aggregated performance value (col. 2, ll. 60 – 67). *Walker, et al.* further teaches that the aggregated performance value is compared to the group performance target to determine

whether the reward has been earned. If the reward has been earned, reward offer data associated with the performance target data is accessed and affinity group account data is updated to reflect the reward (col., 3, ll. 1 – 6).

Applying the second step of the *Graham* test, there is no teaching in *Walker, et al.* of providing incentives to the customer at a specific tier level that are not provided to customers at lower tier levels. *Walker, et al.* teaches providing incentives to the affinity group based on aggregated performance value of the members of the affinity group. It does not teach or suggest providing incentives to individual customers at a specific tier level. Accordingly, the rejection of Claim 11 is not well-founded and should be reversed.

Claims 12 - 13 depend from Claim 11 and the rejection of these claims is not well-founded and should be reversed for at least the same reasons as for Claim 11.

C. The rejection of Claim 17 under 35 USC § 103(a) is improper and should be reversed.

In the Office Action mailed May 18, 2006, the Examiner acknowledged that neither *Feidelson, et al.* nor *Loveland* discloses issuing a credit card to a customer with a variable rate that is based on a value of the stock holdings in the customer's award account. The Examiner stated that both *Feidelson, et al.* and *Loveland* teach the use of a credit card in the reward system. The Examiner stated that *Hucal* teaches that it is known to use a reward system in which the interest rate of the credit card depends on the threshold level of the consumer's fund, citing col. 4, ll. 14 – 39. The Examiner concluded that it would have been obvious to modify the method as taught by *Feidelson, et al.* and *Loveland* with the feature of presenting incentives based on the

level of the user as taught by *Hucal*. The Examiner stated that the motivation to modify the method would be to provide a feature that encourages increased spending from the users desiring a better interest rate tied into the credit card.

Hucal teaches a revolving credit system and method in which the interest rate finance charge applied to the outstanding balance of a customer's account varies according to the percentage of the outstanding balance paid by a customer in a billing cycle. The greater the percentage of the outstanding balance paid off by the customer in a billing cycle, the lower the interest rate applied to the remaining unpaid outstanding balance during the next billing cycle. In the alternative, the interest rate finance charge can be varied according to the percentage of other parameters of the account, such as beginning balance, highest balance, or average balance in the billing cycle (col. 1, l. 60 – col. 2, l. 9). The system and method taught by *Hucal* provides a tiered interest rate structure (col. 2, ll. 10 – 11). The tiered applied interest rate structure of *Hucal* allows the credit customer to chose his minimum payment and interest rate (col. 2, ll. 25 – 28).

In contrast to the teachings of *Hucal*, the credit card issued to a customer according to Claim 17 has a variable rate that is based on the value of the stock holdings in the customer's award account, not the outstanding balance of a credit card account. To further distinguish the teachings of *Hucal*, the higher the balance maintained on a credit card by a customer using the method of *Hucal*, the higher the interest rate that the customer has to pay when making payments on the credit card's outstanding balance. In the present invention, the greater the value of the stock holdings in a customer's award account, the lower the interest rate the customer has to pay in making credit card payments. In other words, the variable interest rate in Applicants'

invention is not based on the outstanding balance of a credit card account, but rather on the value of stock holdings in the customer's award account. There is no teaching or suggestion in *Feidelson, et al., Loveland*, or *Hucal* to issue a credit card to a customer with a variable rate based on the value of the stock holdings in the customer's award account. Accordingly, the rejection of Claim 17 is not well-founded and should be reversed.

D. The rejection of Claims 18 and 19 under 35 USC § 103(a) is improper and should be reversed.

In the Office Action mailed May 18, 2006, the Examiner acknowledged that neither *Feidelson, et al.* nor *Loveland* discloses distributing the stock to another entity specified by the customer instead of distributing the stock to the customer's account. The Examiner stated that both *Feidelson, et al.* and *Loveland* recite the use of a credit card in the reward system. The Examiner stated that *Hardesty* discloses that it is known to use a reward system in which the investment accumulated by the user is allocated to a third party designated by the user, such as charities, citing col. 7, ll. 13 – 21. The Examiner concluded that it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the methods taught by *Feidelson, et al.* and *Loveland* with the feature of distributing the accumulated stock to a designated beneficiary as taught by *Hardesty*. The Examiner added that one would have been motivated to modify the method of *Feidelson, et al.* and *Loveland* to provide a feature to attract a wider and diverse range of users such as philanthropists.

Hardesty teaches a processing system based on a retirement card for financial transactions, which, with some modification would utilize the existing financial structure in

existing computer software and hardware so that over a period of time, a portion of funds spent by users utilizing the retirement card will be deposited into a depository, such as a trust fund. Funds that are deposited over the working lifetime of an individual would be allowed to accumulate and could only be withdrawn upon retirement or some other event such as medical emergency, and either on a tax-free or tax-deferred basis (col. 3, ll. 41 – 51). In the material cited by the Examiner, *Hardesty* teaches that each user or subscriber of the system may participate in various investments and can utilize the card for convenient access to other banking services. The card can be used not only for purchases of goods and more conventional services, but can also be used to purchase professional services such as services of accountants, lawyers, doctors, dentists and the like. Individuals may also use the card for making donations to designated beneficiaries such as charities (col. 7, ll. 13 – 21). In other words, an individual can use his retirement card to make a donation to a designated charity. Using a retirement card for making donations to designated charities is not a teaching of distributing stock that is awarded based on customer purchases to another entity specified by the customer, instead of distributing the stock to the customer's account as recited in Claim 18. Accordingly, the rejection of Claim 18 is not well founded and should be reversed.

Claim 19 depends from Claim 18 and the rejection of this claim is not well-founded and should be reversed for at least the same reasons as for Claim 18.

E. The rejections of Claim 20 under 35 USC § 103(a) are improper and should be reversed.

In the Office Action mailed May 18, 2006, the Examiner acknowledged that neither *Feidelson, et al.* nor *Loveland* discloses a method comprising awarding equity interests to a customer based on referrals of potential customers to the customer incentive program. The Examiner stated that *Walker, et al.* teaches that it is known to use a reward system in which a finder's fee is allocated to a user who has successfully referred a new user, citing col. 11, ll. 13 – 26. The Examiner concluded that it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the method as taught by *Feidelson, et al.* and *Loveland* with the feature of a referral fee as taught by *Walker, et al.* The Examiner added that one would have been motivated to modify the method for providing an incentive for present users to attract new customers, thus increasing the customer base and greater profitability via a greater market share.

Walker, et al. teaches, at col. 11, ll. 13 – 26, that a group members' finder's fee is another type of reward. The group members' finder's fee is awarded to the aggregate reward account balance for the affinity group, and may also be awarded to the individual card member's reward account. As an example, an existing group member and card holder may refer a candidate for group membership to the credit card issuer. If that referral turns into a new membership, the system taught by *Walker, et al.* distributes a finder's fee reward to the affinity group reward account balance and to the referring member's reward account. However, this is not a teaching of awarding equity interests (i.e., stock, not a fee) to a customer based on referrals of potential

customers to the customer incentive program as recited in Claim 20. Accordingly, the rejection of Claim 20 is not well-founded and should be reversed.

CONCLUSION

For the foregoing reasons, the Examiner's rejections of Claims 1 - 20 are not well-founded. Reversal of the rejections and allowance of the claims is respectfully requested.

Respectfully submitted,

Date: 1/18/07

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APPENDIX

1. A method of providing a customer incentive program comprising the steps of:

creating award accounts for a plurality of customers;

collecting information pertaining to purchasing transactions made by an individual customer with at least one of a plurality of sellers using the award account;

awarding equity interests in at least one of the plurality of sellers to at least one of the plurality of customers based at least in part on the customer's collected information;

aggregating the equity interests awarded to the plurality of customers, the aggregate equity interests including awards for individual customer accounts; and

acquiring stock in the plurality of sellers representing the aggregate equity interests, and distributing the stock, including fractional shares of the sellers, into the individual customer accounts.

2. A method as recited in claim 1, further comprising the purchasing transactions include purchases of goods or services using the Internet.

3. A method as recited in claim 1, further comprising the step of creating accounts is performed using the Internet.

4. A method as recited in claim 1, further comprising the step of collecting information is

performed using the Internet.

5. A method as recited in claim 1, further comprising awarding equity interests to the plurality of customers by:

determining values associated with the purchasing and investing transactions of each customer using his award account; and

awarding an equity interest to each customer in an amount based on the value associated with the transactions.

6. A method as recited in claim 2, further comprising awarding equity interests to the plurality of customers by:

determining values associated with the purchasing and investing transactions of each customer using his award account; and

awarding an equity interest to each customer in an amount based on the value associated with the transactions.

7. A method as recited in claim 3, further comprising awarding equity interests to the plurality of customers by:

determining values associated with the purchasing and investing transactions of each customer using his award account; and

awarding an equity interest to each customer in an amount based on the value associated with the transaction.

8. A method as recited in claim 4, further comprising awarding equity interests to the plurality of customers by:

determining values associated with the purchasing and investing transactions of each customer using his award account; and

awarding an equity interest to each customer in an amount based on the value associated with the transaction.

9. A system for providing a customer incentive program comprising:

means for creating award accounts for a plurality of customers;

means for collecting information pertaining to purchasing transactions made by the plurality of customers with a plurality of sellers using their respective award accounts;

means for awarding equity interests in the plurality of sellers to the plurality of customers based at least in part on the collected information;

means for aggregating the equity interests awarded to the plurality of customers, the aggregate equity interests including awards for individual customer accounts;

means for acquiring stock in the plurality of sellers representing the aggregated equity interests; and

means for distributing the stock including fractional shares of the sellers into individual customer accounts.

10. A system as recited in claim 9, further comprising the purchasing transactions include purchases of goods or services using the Internet.

11. A method as recited in claim 1 further comprising the step of assigning a customer to a tier level based on the customer's level of shopping and investing with a seller in the customer incentive program.

12. A method as recited in claim 11 further including providing incentives to the customer at a specific tier level that are not provided to customers at lower tier levels.

13. A method as recited in claim 12 further comprising the incentives including at least one of an advanced purchase option, a discount, a coupon, a bonus and additional seller stock.

14. A method as recited in claim 1 further comprising the step of allowing a customer to pay for a transaction by selling a portion of the stock including fractional shares distributed to the customer's award account.

15. A method as recited in claim 14 further comprising selling a portion of the stock including fractional shares at a current bid price for shares of the stock on an open market.

16. A method as recited in claim 15 further comprising the step of adding a difference between the bid and an ask price for the stock being sold to the customer incentive program for subsequent awards.

17. A method as recited in claim 1 further comprising the step of issuing a credit card to a customer with a variable rate that is based on a value of the stock holdings in the customer's award account.

18. A method as recited in claim 1 further comprising distributing the stock to another entity specified by the customer instead of distributing the stock to the customer's account.

19. A method as recited in claim 18 further comprising the another entity is at least one of a family member, a friend, a charitable institution and an educational institution.

20. A method as recited in claim 1 further comprising the step of awarding equity interests to a customer based on referrals of potential customers to the customer incentive program.